



## Pennsylvania U.S. Senate Candidate Spending Analysis – Pat Toomey

**Total Net Spending Agenda: -\$2.509 billion (savings)**

### **Energy, Agriculture, and the Environment: Unknown**

#### A. Renewable Energy:

“A focus on renewable energy, conservation, low-carbon energy like natural gas, nuclear energy and cleaner-coal technology are all part of the solution.”

<http://www.toomeyforsenate.com/content/cap-and-trade-vs-pa-we-can-protect-environment-without-losing-thousands-jobs-pittsburgh-post>

Cost: Unknown.

Note: H.R. 2846 (111<sup>th</sup> Congress), the American Energy Act, would address a number of energy issues including opening more areas to natural gas exploration, streamlining the nuclear regulatory process, and providing tax incentives for the use of clean-coal equipment and to assist in the operation of coal-to-liquid fuel facilities. A cost estimate is unavailable. NTUF is unable to estimate any other costs here due to the lack of details in Toomey’s proposal.

### **Health Care: -\$2.513 billion (savings)**

#### A. Tax Incentives to Purchase Health Insurance:

“We can start by giving individuals who buy their own health insurance the same tax benefits that employers enjoy when they buy health insurance for their employees. This will make it much easier for millions of Americans to buy their own health insurance plan.”

<http://www.toomeyforsenate.com/content/health-care>

Cost: Unknown.

Note: The impact on outlays would depend upon the extent to which subsidies or “refundable” credits for insurance are offered. In his Fiscal Year 2008 Budget, President George W. Bush offered a health insurance tax credit proposal that had a refundable component. At the time, NTUF estimated the potential cost at \$2.856 billion per year. However, NTUF is unable to estimate any other costs here due to the lack of details in Toomey’s proposal.

#### B. Purchase Insurance Across State Lines:

“[W]e should also allow individuals and businesses to buy health insurance anywhere in the country.”

<http://www.toomeyforsenate.com/content/health-care>

Cost: \$56 million (\$280 million over five years).

Source: Congressional Budget Office (CBO) cost estimate for H.R. 2355, the Health Care Choice Act of 2005 (109<sup>th</sup> Congress), a bill to amend the Public Health Service Act to provide for cooperative governing of individual health insurance coverage offered in interstate commerce. The bill was reintroduced in the 111<sup>th</sup> Congress in the form of H.R. 3217.

<http://www.cbo.gov/ftpdocs/66xx/doc6639/hr2355.pdf>

#### C. Tort Reform:

“Pat also believes we can lower [health care] costs dramatically by enacting comprehensive tort reform.”

<http://www.toomeyforsenate.com/content/health-care>

Cost: -\$2.575 billion (-\$10.3 billion over five years).

Source: In a 2009 letter to Senator Orrin Hatch, CBO stated “Tort reform could affect costs for health care both directly and indirectly: directly, by lowering premiums for medical liability insurance; and indirectly, by reducing the use of diagnostic tests and other health care services when providers recommend those services principally to reduce their potential exposure to lawsuits.” The agency estimated potential savings of \$10.3 billion over five years.

[http://www.cbo.gov/ftpdocs/106xx/doc10641/10-09-Tort\\_Reform.pdf](http://www.cbo.gov/ftpdocs/106xx/doc10641/10-09-Tort_Reform.pdf)

#### D. Association Health Plans:

“[W]e should allow small businesses and groups to join together to form association health plans to lower the cost of providing health care.”

<http://www.toomeyforsenate.com/content/health-care>

Cost: \$6 million (\$31 million over five years).

Source: CBO cost estimate for H.R. 525 (109<sup>th</sup> Congress), a bill to improve access and choice for entrepreneurs with small businesses with respect to medical care for their employees. The bill was reintroduced in the 111<sup>th</sup> Congress in the form of H.R. 2607.

<http://www.cbo.gov/ftpdocs/62xx/doc6265/hr525.pdf>

#### E. Renewable Health Plans:

“We should also encourage a market for renewable health plans to help people with preexisting conditions keep their health insurance.”

<http://www.toomeyforsenate.com/content/health-care>

Cost: Unknown.

#### **Veterans: \$3 million**

##### A. Military Absentee Ballots:

“Pat will make passing the Military Voting Protection Act a priority in the U.S. Senate.”  
<http://www.toomeyforsenate.com/content/veterans>

Cost: \$3 million (\$9 million over three years).  
Source: CBO cost estimate for H.R. 2393 (111<sup>th</sup> Congress), the Military Voting Protection Act of 2009.  
<https://www.cbo.gov/ftpdocs/105xx/doc10567/hr2393.pdf>

### **Miscellaneous: \$1 million**

#### A. Spending Transparency:

“[Pat] also supported legislation to increase transparency in Congress so taxpayers can see exactly how their money is being spent.... When Pat is elected to the Senate, he will continue to push for these and other policies that save taxpayer dollars and erase the deficit.”  
<http://www.toomeyforsenate.com/content/spending>

Cost: \$1 million (\$4 million over five years).  
Source: CBO cost estimate for S. 3335, the Earmark Transparency Act, as ordered reported by the Senate Committee on Homeland Security and Governmental Affairs on July 28, 2010.  
<https://www.cbo.gov/ftpdocs/118xx/doc11854/s3335.pdf>

#### B. Social Security – Personal Accounts:

“Mr. Toomey would retain the current system and promised benefit levels for current beneficiaries and those close to retirement.

“For younger workers, however, he would establish the option of investing part of their Social Security contribution in private accounts – or personal accounts, take your pick – that would allow them to take advantage of the potentially more generous yields of private markets.”  
<http://www.toomeyforsenate.com/media/latest-news/toomey-sestak-set-apart-tax-policies>

Cost: Unknown.

Note: A number of variables would determine the overall cost of this proposal, including (1) the amount that individuals are allowed to invest in a private account; (2) how those accounts are classified for budgetary purposes by CBO (see *The Budgetary Treatment of Personal Retirement Accounts*, Mar. 2000, <http://www.cbo.gov/ftpdocs/18xx/doc1892/prra.pdf>); and (3) whether individuals are guaranteed a minimum return or not. For a recent discussion of personal accounts, see CBO’s analysis of the Roadmap for America’s Future Act of 2010, <http://www.cbo.gov/doc.cfm?index=10851>.